

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

February 13, 2012

CERTIFIED RETURN RECEIPT 7011 0110 0001 3568 2981

Keith Morgan Morton Salt, Inc. P. O. Box 506 Grantsville, Utah 84029

Subject:

Evaluation of Reclamation Surety, Morton Salt, Inc., Morton Salt-Grantsville Mine,

M/045/0037, Tooele County, Utah

Dear Mr. Morgan:

The Division of Oil, Gas and Mining's last reclamation cost estimate for the Morton Salt mine was completed in 2008 and escalated to 2012 dollars, so the reclamation surety amount is now due for review and adjustment. Since the surety was originally calculated in 1993, the only adjustments have been for inflation and the addition of an intake canal. The Division may adjust the amount of reclamation surety as the result of a periodic review taking into account inflation/deflation based on an acceptable cost index (R647-4-113.6).

The Division has developed worksheets to assist both the Division and mine operators to calculate the reclamation surety amount using standard unit costs. These are available on the Division's web site at http://linux1.ogm.utah.gov/WebStuff/wwwroot/minerals/bonding_worksheets.html. Please complete these forms and return a copy to the Division for review. Once the forms have been reviewed, the Division will ask that you adjust the amount of surety to reflect the current reclamation cost estimate.

Please submit the reclamation cost estimate as an amendment to the Notice of Intention to Commence Large Mining Operations (LMO) by May 14, 2012, so the information can be incorporated into the approved plan.

Please contact Wayne Western at 801-538-5263 or by e mail at <u>waynewestern@utah.gov</u> if you have questions about the worksheets or difficulty working with them.



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The Division also requests that you review the Notice of Intention to Commence Large Mining Operations (LMO) to ensure it is adequate and reflects the current operating conditions. Any necessary changes should be addressed by submitting an amendment to the LMO.

Thank you for your cooperation. Please call me at 801-538-5261 or Leslie Heppler at 801-538-5257 if you have questions about this letter.

Sincerely,

Paul B. Baker

Mining Program Manager

PBB:pb

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